

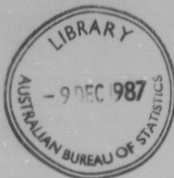
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**AUSTRALIAN
STATISTICS
ADVISORY
COUNCIL**

Annual Report

1986-87



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Australian Government Publishing Service
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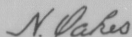
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The Honourable Paul Keating, M.P.
Treasurer of the Commonwealth of Australia

I have pleasure in submitting the Report of the Australian Statistics Advisory Council for the year ended 30 June 1987.

The Report outlines the work undertaken by the Council and is submitted to you for presentation to Parliament under section 24(2) of the *Australian Bureau of Statistics Act 1975*.



N. OAKES
Chairman

3 August 1987

MEMBERSHIP OF COUNCIL, 30 JUNE 1987

		Date first Appointed
Mr N. Oakes, AO	Chairman (as from 3.8.86)	14.1.77
Mr I. Castles, AO, OBE	Australian Statistician (ex officio)	
Mrs Y.J. Bain	President, National Council of Women of Queensland	14.1.80
Prof. R.J. Blandy	Professor of Economics and Director, National Institute of Labour Studies Incorporated, Flinders University	17.3.83
Mr W. Boetcher	Primary Industry Association of Western Australia	14.1.80
Dr L.A. Brodribb, AM	Managing Director, M. Brodribb Pty Ltd, Victoria	14.1.77
Mr D.W. Challen	Deputy Under Treasurer, The Treasury Department, Tasmania	18.2.87
Dr N.R. Conn	Under Treasurer, The Treasury, Northern Territory	2.2.87
Dr J.S. Deeble	Chief Advisor, Central Policy Unit, Department of Health	1.7.85
Dr C.I. Higgins	Deputy Secretary (Economic), Department of the Treasury	1.3.85
Mr J.E. Hodges	Director, Government Statistician's Office, Queensland	1.9.86
Mr P.D. Jonson	Head of Research, Reserve Bank of Australia	1.2.82
Mr J.D.S. Macleod	Group Economist, CRA Ltd	17.3.83
Dr R.C. Madden	First Assistant Secretary, Disability Programs Division, Department of Community Services	1.3.85
Prof. G.M. Neutze	Head of the Urban Research Unit, Research School of Social Sciences, Australian National University	4.6.86
Mr G.W. Penn	Head of Financial Management, Merton Pty Ltd	1.6.87
Mr V.A. Prosser	Executive Director, The Institute of Chartered Accountants in Australia	17.3.83
Mrs K.G. Sanderson	Director, Economic and Financial Policy Division, The Treasury, Western Australia	1.10.82
Mr A.M. Smith	Director, Economics Unit, Department of the Premier and Cabinet, South Australia	14.1.77

Dr A.W. Smith	Director, Economic and Financial Evaluation Division, Department of the Premier and Cabinet, Victoria	17.3.86
Mr D.I. Stanton	Director, Department of Social Security, New South Wales	1.11.81
Mr A.J. Watt	Senior Assistant Secretary, The Treasury, New South Wales	10.3.86

Changes in membership since 30 June 1986

September 1986	Mr J.E. Hodges appointed to succeed Mr L.G. Pitt as the nominee of the Premier of Queensland.
October 1986	Mr L. Purnell retired from the Council at the conclusion of his term of appointment, having served on the Council since 1983.
December 1986	Dr T.P. Speed retired from the Council at the conclusion of his term of appointment, having served on the Council since 1983.
February 1987	Dr N.R. Conn appointed to succeed Dr R.C. Madden as the nominee of the Chief Minister of the Northern Territory. Dr Madden remained a member of the Council. Mr D.W. Challen appointed to succeed Mr P.H. Goddard as the nominee of the Premier of Tasmania.
June 1987	Mr G.W. Penn appointed.

Mr Norman Oakes, AO, was appointed as Chairman of the Council for a term of 5 years, commencing on 3 August 1986. He succeeds Dr Lisa Brodribb, AM, who served as Chairman from 1981 to 1986, and who continues to serve on the Council as an ordinary member.

Mr Oakes is a foundation member of Council, on which he served as the nominee of the Premier of New South Wales until his retirement from the position of Secretary and Comptroller of Accounts of the New South Wales Treasury in February 1986. He was subsequently appointed to Council as a private member.

Note: In this Report, after the first reference, the Australian Statistics Advisory Council is referred to as ASAC or the Council, and the Australian Bureau of Statistics as the ABS or the Bureau.

Freedom of Information Act 1982

Under section 8 of the Freedom of Information Act 1982 Commonwealth agencies are required to publish a statement about their organisation, functions, decision-making powers, consultative arrangements, categories of documents maintained, and facilities and procedures to enable members of the public to obtain access to documents under the Act.

These statements have hitherto been published separately as part of the Commonwealth Government Directory. However, the FOI Act has now been amended to provide that the statements are to be included in the agency's annual report.

The relevant statement for ASAC appears as an appendix to this Report.

No requests for access to documents under the FOI Act were received by ASAC during the year.

INTRODUCTION

The Australian Statistics Advisory Council was established by the *Australian Bureau of Statistics Act 1975*.

This is the eleventh Annual Report of the Council, and is made in accordance with section 24(2) of the Act which provides that: 'the Council shall, as soon as practicable after 30 June in each year, prepare and submit to the Minister, for presentation to the Parliament, a report relating to matters connected with the operation of this Act.'

Under section 18(1) of the *Australian Bureau of Statistics Act 1975* the Council is to advise the Minister and the Statistician on:

- (a) the improvement, extension and co-ordination of statistical services provided for public purposes in Australia;*
- (b) annual and longer term priorities and programs of work that should be adopted in relation to major aspects of the provision of those statistical services; and*
- (c) any other matters relating generally to those statistical services.*

The Act enables the Minister or the Statistician to seek the advice of the Council on these matters. The Council also offers advice on these matters to the Minister or the Statistician when it considers it appropriate to do so.

The Act provides that the Council shall consist of a part-time Chairman, the Australian Statistician (ex officio), and between ten and twenty-two part-time members, including one nominee of each State Premier. The Chairman and members are appointed by the responsible Minister - currently the Treasurer - for periods of five years and up to three years respectively, and are eligible for reappointment.

The Chairman receives an annual fee, set by the Remuneration Tribunal, and members are reimbursed their travel costs, where applicable. Expenditure during 1986-87 totalled \$37,996.

Secretariat and administrative support for the Council's activities are provided by the ABS. The secretary of the Council is the Assistant Statistician, Co-ordination Branch, whose address is PO Box 10, Belconnen, ACT 2616 - telephone (062) 52 5256.

SUMMARY OF THE YEAR'S ACTIVITIES

The Council met on 8 July 1986, 5 and 6 November 1986 and 11 March 1987, when it considered a number of items of business in accordance with its objectives as set out above. This Report outlines the main aspects of Council's consideration of these items.

Council acknowledged the progress and achievements that the ABS had made in the last year in the range and quality of the statistical service it provides to government and the community. In particular Council congratulated the Bureau on the successful conduct of the 1986 Population Census, and on the forthcoming extension of coverage to the economic activities of services industries. It also welcomed ABS initiatives in providing improved analysis and presentation of statistics, notably the introduction of a guide to smoothing time series - estimates of "trend", the detailed explanatory booklet on the changes to the CPI and the analysis of the effects of government benefits and taxes on household income based on the Household Expenditure Survey. The more extensive dissemination of data, especially by means of electronic media, was also welcomed.

ABS work program, 1987-90

Council devoted more than half of its two-day meeting in November 1986, and substantial time at other meetings, to matters impinging on the proposed ABS forward work program for 1987-90. It examined in some detail the wide range of activities covered by the various components of the program, reviewed ABS options for resource savings in 1986-87 which had been presented to the Government, reviewed areas of unmet demand for statistics and examined recent productivity/efficiency improvements made by the ABS.

As in earlier years, Council was faced with advising on priorities for a work program in which resources likely to be available to the ABS will fall short of those required to meet supportable demands for new statistics as well as maintaining those existing statistics for which there is a continuing strong and justifiable demand.

Council continues to take the view that priority should be given to those statistics which directly assist the deliberations and decisions of governments, businesses and other prominent bodies (eg industry associations, social and welfare organisations, and academic and research institutions) on matters of significant economic and social importance.

Council examined major components of the economic and social statistics programs for 1987-88, and made the following observations:

- . The proposed survey of services industries was considered of high priority as there has previously been no such coverage of these increasingly important industries. Some concern was expressed at the limited coverage but it was recognised that resource limitations precluded a wider coverage.
- . The usefulness of, and demonstrated user demand for, extending the range of building price indexes to include Canberra and Darwin was generally endorsed.
- . Council supported the extension of the tourist accommodation survey to cover the relatively important activities of holiday flats and apartments with resident management.
- . Council discussed the relative merits of increasing the value of agricultural output below which farmers are not asked to complete an agricultural census form, to generate substantial resource savings, and the need for the reintroduction of an annual agricultural finance survey. (These matters were considered in more detail at a subsequent meeting and are the subject of further comment in this report.)
- . Council considered that the reduced program of foreign participation studies represents a realistic assessment of the current need for such statistics.
- . While acknowledging the strong user needs expressed for the proposal to conduct the (deferred) multi-sector energy survey, Council considered that this survey might be accorded a lower priority if reductions in the 1987-88 work program are required.
- . The practicality of collecting data on capacity utilisation and of additional data on domestic freight flows was questioned and Council considered additional data on these initiatives to be of lower priority.
- . Council considered that the proposed survey of sources of funds for small businesses was not of the highest priority.
- . It was recognised that there was a need to proceed with feasibility work on public sector debt statistics before a final priority determination can be made.
- . The general need for data on labour costs was endorsed but some members considered that some of the information could be obtained from available administrative sources without affecting its accuracy.
- . The level of resources allocated to ongoing maintenance of the Australian Standard Classification of Occupations was questioned.

In considering the general question of the use of administrative statistics, Council recognised the importance of using such sources to reduce respondent loads and avoid possible duplication of approach for similar statistics. Council also recognised that resource savings within the ABS might be possible if processing of some administrative statistics were to be devolved to collection agencies. However, in a number of instances the cost to government should be lower and have longer term benefits when the task is undertaken by the ABS, which has special expertise in processing statistics. In view of the responsibilities of the ABS under the Statistical Arrangements with the States, Council also considered that any arrangements for further devolution of statistics should be the subject of government to government negotiations. Council stressed the need for the ABS to develop standards and classifications for administrative statistics.

Council was informed that the sample numbers in the monthly population survey had grown considerably over recent years as a result of maintaining the same sampling proportion at a time of population growth. The ABS advised that it was contemplating reducing sample numbers to similar levels as in 1980, which would generate substantial cost savings. There would be small increases in sample errors, bringing them to comparable levels to those applicable in 1980. After considerable discussion Council generally endorsed this proposal but expressed concern at the possibility of any resultant limitation in the availability and reliability of regional data and data for small States and groups.

Council noted that sampling errors are only one of a number of factors having a bearing on the volatility of estimates and reached a consensus that the relatively small increase in these errors would not detract materially from the usefulness of the data. It welcomed the release of trend estimates for major component series at Commonwealth and State level, which should be of considerable assistance in the analysis of underlying movements in the labour force.

While making its assessment of the forward work program, Council noted that, in the period shortly before the 1986 Budget, the ABS had been requested to provide options for resource savings for 1986-67 and that some of these options had been taken up by the Government. Nevertheless, although the resulting cuts were significant, it was recognised that the ABS had still been able to embark on a substantial work program in 1986-87, including the 1986 Population Census.

There was concern that in the time available it was not possible to consult Council for its views on these options. In view of this, Council specifically considered its views of relative priorities of particular statistical surveys and activities as a basis for advice to the Statistician for his reference should additional cuts be required during the consideration of the 1987-88 Budget.

Council reviewed the effect of various cuts that had been made to the 1986-87 work program. It discussed the factors affecting the choice of a one-year cancellation of the manufacturing census and recognised that a similar change to the agricultural census would have been extremely difficult as all forms for the 1986 Agricultural Census had been dispatched by the time the cuts were required.

As a consequence of the cancellation of the manufacturing census, Council stressed the importance of maintaining continuing series for manufacturing industry statistics at a time when that sector is experiencing considerable restructuring due to major changes in costs and competitiveness and strongly supported reinstatement of that census in respect of the year 1986-87. Council stressed that beginning of year employment details continue to be collected in that census to provide some continuity.

While Council supported the reinstatement of the manufacturing census and endorsed the introduction of the census/survey methodology, it questioned whether in the longer term users might be better served by the ABS giving more attention to new growth industries rather than the traditional industries covered by the census, enhancing its quarterly surveys, or introducing new ones.

Council expressed concern at the one year cancellation of the 1987 edition of Commonwealth and State year books which were considered of importance as major reference works. It noted that the ABS had received a substantial number of representations on this matter from interested users, especially the library community.

Council noted with concern the effects of halving the size of the sample for the 1986-87 special supplementary survey on income, current and alternative working arrangements, and accommodation costs which caused some problems in relation to the provision of adequate quality regional data and data for particular groups especially those on low incomes.

In considering what advice it might give to the Statistician if further significant cuts were sought by the Government at a late stage of the 1987-88 Budget cycle, Council suggested that a reduction in the periodicity of certain collections might produce significant resource savings without detracting materially from the usefulness of the data. It therefore suggested that the ABS might review all monthly collections and evaluate the consequences of changing them to a less frequent basis. In addition, Council specifically suggested that the periodicity of the survey of mineral exploration, survey of motor vehicle usage and the electricity and gas census should be evaluated. At a later meeting Council discussed an evaluation by the ABS of the factors affecting periodicity of the monthly labour force survey (see page 11).

Council also suggested that the priority of the foreign participation program could be re-examined if further major cuts were required. As well, it asked the ABS to again examine the extent to which its statistics of new motor vehicle registrations might be duplicating industry based estimates.

On these and other aspects, Council requested the Statistician to give careful consideration to its views in presenting the work program to the Minister, and in its execution. Council also wrote direct to the Minister conveying its main conclusions on the work program, and to the Statistician conveying its views on relative priorities should significant cuts be required at a later stage in the Budget cycle.

1986 census of population and housing

Council was pleased to note that the 1986 Census was conducted successfully and congratulates all staff involved. It also noted the very positive results from the public awareness campaign.

At each of its meetings during the year, Council considered progress reports by the ABS on processing of forms and other facets of census activity. It was noted that despite problems associated with high turnover of staff at the census data transcription centre in Sydney, and some difficulties in data entry throughput, the ABS expected to meet its deadlines for the publication of results. The ABS also reported that, from an initial assessment, data quality in the census appeared to be good.

Future censuses of population and housing

In considering a report on the conduct of future population censuses, Council recognised the requirements of the Electoral Act to provide reliable State population estimates for determining the number of seats in the House of Representatives. It noted that investigations had shown that the requirements for estimates at an acceptable level of accuracy cannot be met by taking a head count of the population every ten years and endorsed proposals for a census to be conducted in 1991, in accordance with the provisions of the Census and Statistics Act.

Council recognised that data from the proposed Australia Card register and other elements such as improved Medicare and other social security statistics might reduce the need for five yearly counts by providing better information needed for producing reliable quarterly population estimates. However, it noted that there was no possibility that these data would be of sufficient adequacy in time to obviate the need for at least a head count census in 1991.

Council was informed that the 1991 Census would not necessarily collect the same amount of information as in 1986. Various options would be examined based on cost/benefit and informant load considerations. Possibilities included combinations of long and short forms with a short form collecting head count and demographic information in respect of the whole population and a long form collecting economic and social information from a sample of the population.

Council is concerned that decisions about the conduct of future population censuses should not be taken solely on the basis of Commonwealth (legal and other) requirements. It draws attention to the important information needs of the States, particularly in relation to State and local government activities and financing. Council also points to differences in population growth and movements between and within States and Territories which may well justify different combinations of short and long forms.

Council requested the Statistician, in his advice to the Minister, to stress the importance and usefulness of the data in the population census to the community in general, and to State governments in particular.

ABS corporate plan

In its Annual Report for 1985-86 Council referred to its consideration of the findings of the 1984 Joint Management Review (JMR) of ABS management services and top management in State Offices. In particular, it noted, with approval, plans to implement JMR recommendations relating to the development of a comprehensive corporate plan designed to provide a clear perception of ABS goals, objectives, and corporate strategies. A paper presenting an early version of ABS thinking on major issues relating to its role was discussed by Council at its July 1986 meeting. Following consideration by ABS management of Council's views on these issues, a further paper was presented at the November meeting.

Council supports the proposition that the role of the ABS should be seen as wide rather than narrow, involving a responsibility, in principle, for the total national statistical service. It notes that the ABS does not regard it as appropriate to endeavour to undertake all the statistical activity implicit in the provision of such a service. For this reason Council strongly endorses the ABS's co-ordination function, particularly in the area of developing, fostering, promulgating and encouraging the use of standards, classifications, and frameworks, for use in the statistical activities of other agencies.

Council gave extensive consideration to the impact of an expanded ABS role on users, especially the assumption of responsibility for greater use of analysis of the statistical information it produces. In this context, Council noted the ABS definition of analysis as the explanation of relationships between statistical variables at various levels of aggregation and from different sources

and includes aspects such as research and conceptual development. Such analysis focuses on explanations of what has been collected; describes what has actually happened, and explains relationships and develops linkages among various statistical series. Council supported ABS views that such analysis must be impartial and objective, and not be involved with providing policy advice or evaluating the wisdom or the social desirability of a particular government program or policy.

While recognising the view that the ABS should concentrate on the collection of statistics, for which it has a considerable comparative advantage, Council endorsed ABS aspirations in regard to more extensive analysis of data than previously¹. It recognised that the ABS had the skills and was in the position where it could undertake meaningful and effective analysis that was of great value to users. In considering the relationship between analysis and improvement in the quality of statistics produced, Council noted the importance of analysis in promoting a better understanding of collected data and the identification of areas where steps need to be taken to improve quality. In this regard the need for the ABS to avoid the canvassing of policy options was emphasised.

Council recognised that the development of a corporate plan was a complex exercise requiring the input of a great deal of time and effort on the part of ABS senior management. It has asked to be kept informed of progress and expects to be involved in further consideration of major aspects of the plan at future meetings.

Review of the consumer price index (CPI)

At its meeting in March 1987, Council considered a report by the ABS on the results of the recently completed review and reweighting of the CPI, the main outcome of which is a change in the treatment of home ownership costs.

Council was informed that the weighting pattern for the new series of the CPI was based on data from the 1984 Household Expenditure Survey (HES) supplemented by information from a range of other ABS collections. With the availability of the HES statistics, the ABS considered that the weighting pattern was now more reliable than the pattern resulting from the previous review of the index.

(1) "The Role of a National Statistical Office". A paper presented by the Australian Statistician to the Statistical Society of Australia on 28 October 1986, the main features of which are to be reproduced in the ABS Annual Report for 1986-87

Council noted that in addition to the inclusion of mortgage interest charges and consumer credit charges, the CPI now included the more important 'seasonal' fresh fruit and vegetables. Other new expenditure classes were optical services, veterinary services, and watches and clocks.

Council recognised that the changed treatment of home ownership costs was a difficult and indeed controversial decision. While there were differing views within Council, the decision was generally supported with Council stressing that the ABS would need to take great care in explaining the changes in treatment following the release of the CPI for the March quarter 1987. It was advised that an information paper on the review was being prepared for early dispatch to all recipients of the CPI bulletin and that a new edition of the publications: *A Guide to the Consumer Price Index* and *The Australian Consumer Price Index : Concepts, Sources and Methods* would be issued during 1987.

The Australian national accounts and the role of collected data

Council considered a paper outlining the objectives and uses of the Australian system of national accounts, the methodology employed in their compilation, the data sources used, and the role of the national accounts in providing a framework for the development of statistical collections.

It was noted that input is obtained from a wide range of data sources, principally from ABS censuses and surveys or as by-products from government administrative processes. An important source of administrative data is the taxation system but unfortunately these data are subject to limitations such as understatement of income and inconsistency with ABS concepts and definitions. Recent changes to the Income Tax Assessment Act to permit access by the ABS to individual business tax records have provided opportunity for investigation of ways of replacing tax records with ABS economic census data, where appropriate.

Council discussed the role of the national accounts in identifying and, in some cases, resolving, shortcomings in collected data and their importance in the design of collection systems. It noted that the ABS proposes to review existing strategies for its economic collections in the near future and has asked to be kept informed of developments.

The Australian input-output statistics program : an outline of its scope and objectives

At its November 1986 meeting Council considered a report on the Australian input-output statistics program. Council recognised that the compilation of input-output tables is a complex analytical task, with a small number of major users who provided or sold information derived from these tables to many

indirect users. Council felt that if such a compilation task was to be handed over to outside agencies it would result in some duplication of effort. As well, accuracy would suffer as agencies would not have access to the unit records available within the ABS.

In considering whether the ABS should consider cost recovery from major users, especially where certain aspects of the analysis were of interest to a particular user, the consensus of opinion was that the ABS should consider the introduction of some form of cost recovery, since principal direct users often sell the information (with value-added services). It recognised that such cost recovery could only be implemented successfully as part of an overall ABS cost recovery policy. Council agreed that if some acceptable form of cost recovery could be implemented, it would support continuation of the program at the present level of resources; otherwise the project should be considered of lower priority and subject to cancellation if major cuts in resources were required.

Manufacturing Census

The ABS explained a revised methodology for the 1986-87 Manufacturing Census collection under which some 70 per cent of manufacturers would receive a short form which would be relatively easy to complete. The remaining manufacturers would be asked to complete a more detailed form but the informant load for small businesses would be substantially reduced.

Council noted that these changes will substantially reduce the respondent load on many manufacturers included in this census. They also noted that a number of important long term aspects of the manufacturing program would be addressed by the overall review of ABS economic statistics strategy currently being undertaken.

The changes were supported by Council as representing a reasonable compromise between comprehensiveness and informant load.

Services industries surveys

Following earlier consideration of the proposed introduction of surveys of services industries to be conducted for the 1986-87 and 1987-88 financial years, Council was provided, at its March 1987 meeting, with a progress report.

Council noted that the 1986-87 survey would cover the structure, performance and activity of businesses engaged in providing a number of personal and tourism-related services; similar information for those engaged in providing a number of property and business services would be collected in the 1987-88 survey.

Among other aspects, Council discussed the inclusion of the computer software industry and other growth industries in the surveys. The ABS reported that, because of the substantial lead time involved in preparing to survey these industries, they had been included in the second survey rather than the first.

Council strongly endorses ABS plans for these surveys.

Agricultural statistics

Council discussed a report from the ABS outlining the results of an examination of various options for effecting sufficient economies in the agriculture program to enable an annual agricultural finance survey to be undertaken, without additional staff, from the reference year 1986-87 onwards. The strategy proposed involves removing from the annual agricultural census those establishments with an estimated annual value of agricultural output (EVAO) under \$5,000; collecting a limited amount of data from establishments with an EVAO between \$5,000 and \$20,000; and collecting the full range of data only from the remaining establishments.

The ABS reported that implementation of this proposal was expected to have only a marginal effect on data for most agricultural industries. Horticulture was the industry most likely to be affected by the higher cut-off and Council noted the special steps being taken to improve the coverage of that industry and that the ABS would consider proposals for special supplementary surveys. Council also recognised that problems existed in adequately covering situations where substantial agricultural activity generated only little income.

Council endorsed the choice of \$20,000 as the level for the cut-off as the most acceptable compromise in the circumstances.

In response to concern expressed by Council regarding the potential for duplication between the statistical activities of the Bureau of Agricultural Economics (BAE) and the ABS, the ABS advised that agreement had been reached with the BAE whereby surveys conducted by the two organisations would be co-ordinated. In addition, a working party of BAE and ABS officers had recently been set up to investigate the possibility of data sharing between the respective agencies.

Periodicity of labour force surveys

At its March 1987 meeting, Council considered a paper on factors affecting the periodicity of the labour force survey which had been prepared in response to a request by Council during its deliberations on the ABS forward work program at its November 1986 meeting.

The ABS reported that, while the labour force survey was costly, it provided many organisations with timely indicators on important aspects of the economy, and these series were often used to derive early indications of overall economic trends. Major users attach considerable importance to being able to quickly identify turning points in trends in these statistics and, as at least three observations are necessary for this purpose, monthly frequency provides for much quicker identification of such changes.

Following extended discussion, Council recognised that this is a key ABS collection and endorsed the present periodicity of this survey. It was noted that any reduction in frequency would result in an increasing reliance on administrative by-product data for unemployment series, which were viewed as inadequate for many purposes. As well, Council recognised the advantages that supplementary surveys can be added to the monthly labour force surveys at marginal cost to the ABS. Council strongly supports this flexibility as a cost effective source of data about the Australian community.

Council noted that a trade-off between a larger sample size and reduced frequency for the labour force survey did not appear to be practicable.

Balance of payments statistics - revision of figures

At its November 1986 meeting Council discussed the substantial revisions which had been made to the 1985-86 balance of payments current account deficit. The revisions stemmed largely from difficulties associated with estimation of tourist expenditure arising from lengthy delays in the availability of the key indicator statistics on short term arrivals and departures from the Department of Immigration and Ethnic Affairs.

The Chairman wrote to the Minister for Immigration and Ethnic Affairs in support of moves to introduce decentralised processing systems and stressed the importance ASAC gave to the matter. The Council was pleased to receive advice from the Minister that substantial improvements had been made in reducing the delays and that still further reductions were anticipated as the result of new procedures.

General

Council discussed a paper outlining the impact of technology on the operations and management of the ABS. It noted that aspects of activity likely to be affected by these developments included electronic data capture, computer assisted telephone interviewing, automated classification and coding systems, and general office automation, and that many staff would have to acquire new skills and adjust to major changes in the way they perform their work.

Following the discussion over several meetings of findings of a report by an outside consultant on the design, production and use of ABS statistical forms, Council considered a paper at its November 1986 meeting which summarised decisions taken by ABS management on the individual recommendations contained in the report. It noted that a committee was being established by the ABS to oversee implementation of the report's recommendations. Guidelines for form design would be drawn up and the impact of collection forms on the statistics collected would be closely monitored.

Council considered a paper dealing with an ABS initiative to investigate the preparation of flow of funds accounts as a part of the system of Australian National Accounts. Council noted the secondment of an experienced statistician from Statistics Canada as consultant for the project and welcomes ABS plans for this research.

In order to provide Council generally with a broader awareness of specific areas, two study papers were prepared, on a trial basis, on the use of statistics by Council members and their organisations. One of these, prepared by Mr V.A. Prosser, presented the results of a limited survey of chartered accountants in public practice. Council noted that the paper concluded that, in general, there was scope for improving chartered accountants' knowledge of the availability and use of ABS statistics. The other paper, prepared by Mr A.J. Watt, discussed aspects of the use of, and need for, ABS statistics by the Government of New South Wales. Mr Watt pointed out that the paper focused on the rights and entitlements of the New South Wales Government to statistical services and gave a number of examples of perceived gaps and overlaps in the ABS statistical service.

The papers were received with considerable interest and the procedure will be continued.

It is clear that continuing demands will be made on the Bureau to extend its range of collections, notwithstanding the general pressure for reductions in the level of public sector expenditure. The Council has noted the efforts made by the Statistician to improve productivity and the significant improvements which have been effected over recent years. Inevitably, however, the introduction of new or expanded collections in some areas will require curtailment in others and the Council places great importance on the very detailed work program prepared by the Bureau in formulating its advice to the Minister.

The Council wishes to record its appreciation for the assistance received from the Statistician and his officers in the presentation and comprehensiveness of information provided on the matters considered by Council and the courtesy and efficiency with which secretarial and other services have been made available.

Council congratulates the Australian Statistician, Mr Ian Castles, OBE, on having been made an Officer in the General Division of the Order of Australia (AO) in the 1987 Queen's Birthday Honours List.

APPENDIX

Freedom of Information Statement

Below is a statement, as required by section 8 of the Freedom of Information Act 1982, about the structure of the Australian Statistics Advisory Council (ASAC) and how members of the public can obtain access to information held by the Council.

Establishment, organisation and functions

See Introduction to this report (page 1)

Powers

As an advisory body, ASAC has no decision-making or other powers directly affecting members of the public. It does not administer any enactments or schemes.

Arrangements for outside participation

The membership of ASAC is chosen by the Minister responsible for the ABS so that a broad range of views and interests is reflected in the advice that ASAC offers to the Minister and the Statistician. Membership details are given on pages iv - vi.

Persons or bodies outside the Commonwealth administration may participate in the Council's policy formulation by making representations to the Minister or the Chairman on matters of concern to them.

Categories of documents

No documents open to public access on payment of a fee or customarily available free of charge are held by ASAC. The annual report which is tabled in Parliament may be purchased at Commonwealth Government Bookshops. Files are maintained which contain documents relating to the administration of the Council, papers discussed at Council meetings and correspondence relating to the activities of the Council.

FOI procedures and initial contact points

All inquiries concerning access to documents, including inquiries under the Freedom of Information Act 1982, may be directed on weekdays, between 8.30 am and 4.30 pm, to the Secretary, Australian Statistics Advisory Council, c/- Australian Bureau of Statistics, Room 4A501, Cameron Offices, Belconnen, ACT 2617 - telephone (062) 525256.

